

BROADCASTING CONTESTS, LOTTERIES, AND SOLICITATION OF FUNDS

Contests

Licensees that broadcast or advertise information concerning a contest that they conduct must fully and accurately disclose the material terms of the contest and must conduct the contest substantially as announced or advertised. Contest descriptions may not be false, misleading or deceptive with respect to any material term. Material terms include those factors that define the operation of the contest and affect participation in the contest.

Lotteries

The FCC has defined a lottery as any game, contest, or promotion that combines prize, chance and consideration. Federal law (18 U.S.C. Section 1304) prohibits the broadcast of any advertisement of, or information concerning, a lottery. There are a number of exceptions, however, to this provision. Among them are:

- (1) lotteries conducted by a state acting under the authority of state law, where the advertisement or information is broadcast by a radio or television station licensed to a location in that state or in any other state that conducts such a lottery;
- (2) legal casino gaming. The Supreme Court has held that the prohibition on broadcasting advertisements for lawful casino gambling could not constitutionally be applied to truthful advertisements broadcast by radio or television stations licensed to states where such gambling is legal. The FCC and the United States have concluded that the lottery advertising prohibition may not constitutionally be applied to the broadcast of *any* truthful advertisements for lawful casino gambling, whether or not the state to which the broadcaster is licensed itself permits casino gambling;
- (3) gaming conducted by an Indian Tribe pursuant to the Indian Gaming Regulatory Act;
- (4) lotteries that are authorized or not otherwise prohibited by the state in which they are conducted; and
- (5) lotteries conducted as a promotional activity by commercial organizations that are clearly occasional and ancillary to the primary business of that organization, so long as the lotteries are authorized or not otherwise prohibited by the state in which they are conducted.

Solicitation of Funds

No federal law prohibits broadcast requests for funds intended for lawful purposes (including requests for contributions to meet station operating expenses) if the contributions are used for the announced purposes. However, the Criminal Code prohibits fraud by wire, radio or television, and violation of this provision may lead to Commission sanctions against FCC licensees.



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For general information on other telecommunications-related issues, you may contact the FCC's Consumer and Governmental Affairs Bureau via the Internet at www.fcc.gov/cgb or at 1-888-CALL-FCC (1-888-225-5322) voice or 1-888-TELL-FCC (1-888-835-5322) TTY.

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